PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the application of: Attorney Docket No.: 2842.04US01

Goino Confirmation No.: 3075

Patent No.: 7,478,055 Application No.: 09/864,525

Issued: January 13, 2009 Filed: May 23, 2001

For: AUCTION METHODS, AUCTION SYSTEMS AND SERVERS

PETITION FOR SUPERVISORY REVIEW AND FINAL AGENCY DECISION CONCERNING THE DISMISSAL OF PATENT OWNER'S PETITION UNDER UNDER 37 C.F.R. § 1.705(d)

Mail Stop Petition
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Patent Owner of the above-captioned patent hereby seeks supervisory review of the decision by Alesia M. Brown, Petitions Attorney in the Office of Petitions ("Attorney Brown"), dismissing Patent Owner's previous petition under 37 CFR § 1.705(d) for the patent term adjustment for U.S. Patent No. 7,478,055 to be changed from 1338 days to 1778 days.

The decision of Attorney Brown to dismiss Patent Owner's petition and sustain the 1338 day patent term adjustment calculated by the Office for this patent, contravenes the decision of the United States District Court for the District of Columbia in Wyeth v. Dudas, which holds that the method used by Office to calculate patent term adjustment is inconsistent with 35 USC § 154(b) and therefore contrary to law. See Wyeth v. Dudas, 580 F.Supp.2d 138 (D.D.C. 2008).

In that the United States District Court for the District of Columbia is the sole venue designated by statute for review of the Office's determinations of patent term adjustment, and in that said Court has already determined the method used by the Office to calculate patent term adjustment in this and other cases is erroneous and contrary to law, the Office is without authority to persist in its method of calculation. Accordingly, Attorney Brown's decision to dismiss Patent Owner's petition is arbitrary, capricious, an abuse of discretion, or is otherwise not in accordance with the law and in excess of statutory authority. As a result, Patent Owner respectfully urges that Attorney Brown's decision be reversed and the correct patent term adjustment accorded to the subject patent according to law.

I. LEGAL AUTHORITY ENABLING CONSIDERATION OF THE INSTANT PETITION.

Petitions to generally invoke the supervisory authority of the Director in appropriate circumstances are authorized under 37 C.F.R. § 1.181(a)(3). Decisions on such petitions are committed to the Deputy Director for Patent Examination Policy under M.P.E.P. 1002.02(b), ¶ 3. Patent Owner respectfully submits that the supervisory authority of the Director is appropriately invoked in cases such as this to correct errors in decisions made by subordinate officials that cause substantial prejudice to the public interest or to the interests of a party to a matter before the Office. Hence, this petition is proper under 37 C.F.R. § 1.181(a)(3).

The decision on Patent Owner's § 1.705(d) petition was mailed September 28, 2009. The instant petition is being filed within two months of the decision from which relief is requested. Hence, this petition is timely made. See 37 C.F.R. § 1.181(f).

II. POINTS TO BE REVIEWED AND ACTION REQUESTED.

Patent Owner requests:

1. Reconsideration and reversal of Attorney Brown's decision to dismiss Patent Owner's petition under 37 CFR § 1.705(d) for the patent term adjustment for U.S. Patent No. 7,478,055 to be changed from 1338 days to 1778 days.

2. In the event the Office persists in denial of Patent Owner's request to so adjust the patent term of the subject patent, Patent Owner requests designation of the decision on this petition as a final agency action on the matter pursuant to 5 U.S.C. § 704.

III. BACKGROUND AND STATEMENT OF FACTS.

On September 30, 2008, the United States District Court for the District of Columbia rendered a decision that found the USPTO's method for calculating patent term adjustment is inconsistent with 35 USC § 154(b), and set forth the proper method of calculation. See Wyeth, 580 F.Supp.2d at 142. Specifically, the court found that the United States Patent and Trademark Office (USPTO) has been misapplying 35 U.S.C. § 154(b)(2)(A) when calculating patent term adjustment, thereby routinely denying many applicants patent term to which they are entitled under the statute.

The USPTO had published and implemented its interpretation of 35 U.S.C. 154(b)(2)(A) stating that the statute means "that if an application is entitled to an adjustment under the three-year pendency provision of 35 U.S.C.§ 154(b)(1)(B), the entire period during which the application was pending before the office (except for periods excluded under 35 U.S.C. § 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of

the application, is the relevant period under 35 U.S.C. § 154(b)(1)(B) in determining whether periods of delay "overlap" under 35 U.S.C. 154(b)(2)(A)." 69 Fed. Reg. 21706 (April 22, 2004).

In Wyeth, however, the court found the USPTO interpretation of 35 U.S.C. 154(b)(2)(A) does not square with the language of the statute and that the USPTO should not consider an application delayed under 154(b)(1)(B) during the period before it has been delayed and that the delay under section (B) begins when the PTO has failed to issue a patent within three years, not before. See Wyeth, 580 F.Supp.2d at 142.

The subject U.S. Patent No. 7,478,055 ("the '055 Patent") issued to inventor Tadashi Goino on January 13, 2009. The patent term adjustment, as determined by the USPTO under its interpretation of 35 USC § 154(b), and listed on the face of the '055 patent is 1338 days.

On March 12, 2009, Patent Owner timely filed a petition under 37 CFR § 1.705(d) seeking correction of the patent term adjustment accorded the subject patent be changed from 1338 days to 1778 days. See 37 CFR §1.705(d). The requested correction was in accord with the method of calculation endorsed by the Wyeth Court. See Petition Under 37 C.F.R. § 1.705(d) (March 12, 2009) ("705 Petition"). Patent Owner's 37 CFR § 1.705(d) petition was dismissed in a decision by Attorney Brown mailed September 28, 2009. See Decision Dismissing Request for Reconsideration of Patent Term Adjustment Under 37 CFR 1.705 (September 28, 2009) ("Decision"). Attorney Brown's decision simply reiterates that the USPTO method of calculation is considered correct by the Office, notwithstanding the contrary decision of the Wyeth Court.

IV. ARGUMENT

As explained in Patent Owner's previous petition under 37 C.F.R. § 1.705(d), the USPTO's determination of 1338 days of patent term adjustment is in error under the method articulated by the Wyeth Court in that, pursuant to 35 USC § 154(b)(1)(B), the USPTO failed to properly allow an adjustment for the time exceeding three years after the actual filing date of the '055 patent to its date of issue. Under 35 USC § 154(b)(1)(A), Applicant is entitled to an adjustment of the term of the '055 patent for a period of 1469 days, which is the number of days attributable to PTO examination delay ("A Delay"). Under 35 USC § 154(b)(1)(B), Applicant is entitled to an additional adjustment of the term of the '055 patent for a period of 1151 days, which is the number of days the issue date of the '055 patent exceeds three years from the filing date of the application not including any time consumed by continued examination of the application requested by the applicant under section 132(b). ("B Delay").

Section 35 USC § 154(b)(2)(A) states that "to the extent...periods of delay attributable to grounds specified in paragraph [154(b)(1)] overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed." For the '055 patent, 711 days of the A Delay overlaps with the B Delay period. Therefore, there are 711 overlap days to be excluded for the patent term adjustment. The total period of PTO delay is 1909 days, which is the sum of the A Delay (1469 days) and B Delay (1151 days) minus the period of overlap (711 days). Under 35 USC §154(b)(2)(C), the total period of PTO delay is reduced by the period of applicant delay, which is 131 days as determined by the USPTO. This period is reduced for the period taken to reply in excess of three months to each of the August 24, 2006, April 16, 2007, and October 5, 2007 Office Actions as well as for

submission of an Information Disclosure Statement on February 22, 2007 and an amendment submitted on January 7, 2008 that was deemed non-compliant. These are believed to be the only circumstances during prosecution that constitute a reduction of PTO delay. Therefore, according to the method articulated in Wyeth, the correct patent term adjustment under 35 USC § 154(b)(1) and (2) is 1778 days, the difference between the total period of PTO delay (1909 days) and the period of applicant delay (131 days).

The decision of Attorney Brown as set forth in the September 28, 2009 decision simply reiterates that the Office considers its method to be correct, notwithstanding the decision of the Wyeth Court. See Decision, p. 2. But, the United States District Court for the District of Columbia is the exclusive judicial body prescribed by statute to review patent term adjustment determinations made by the Director. See 35 U.S.C. § 154(b)(4). Accordingly, decisions rendered by that Court related to statutory interpretation of patent term adjustment provisions are binding upon the Director and cannot simply be ignored. While the Office has appealed the Wyeth decision to the United States Court of Appeals for the Federal Circuit, it is improper for the Director to persist in a calculation method that has been found to be not in accordance with the statute and to summarily refuse reconsideration in cases such as this, absent reversal of the Wyeth decision on appeal. To do so is to disregard the duty of the Director and the USPTO to take care that the patent laws are faithfully executed as interpreted by proper authority, and to ensure that the rights of patent applicants and owners are not unduly prejudiced. Patent Owner maintains that at the least, further decisions of the Office, such as in this case, should await the definitive guidance of the final decision of the Federal Circuit as to the proper method for patent term adjustment calculation.

V. CONCLUSION

Based on the foregoing, Patent Owner requests that the Office reconsider the dismissal of Patent Owner's petition under and reverse Attorney Brown's decision to dismiss Patent Owner's petition under 37 CFR § 1.705(d) for the patent term adjustment for U.S. Patent No. 7,478,055 to be changed from 1338 days to 1778 days. Further, in the event that the Office persists in denial of Patent Owner's request to so adjust the term of the subject patent, Patent Owner requests that the Office designate the decision on this petition as a final agency action on the matter pursuant to § 704 of the Administrative Procedure Act.

Respectfully submitted,

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